

Governor's State Workforce Investment Board

State Capital Building
Helena, Montana
September 26, 2008

MINUTES

BOARD MEMBERS PRESENT: Dan Miles, Chair; Dave Crum; Connie Eissinger; TJ Eyer (*designee*); Mike Grove; Jacquie Helt; Hank Hudson (*designee*); Keith Kelly; Maureen Kenneally; Robbe Lindsay; Mike McGinley; Thomas McKenna; Joan Miles; Sandi Miller; Gary Morehouse (*designee*); Gail Richardson; Pat Wise (*designee*); and Linda Woods.

BOARD MEMBERS ABSENT: Marty Copps, Vice Chair; Elsie Arntzen; Evan Barrett; John Brueggeman; Arlene Becker; Thomas Curry; Mike DesRosier; Georgia Gibbs-Atkinson; Kirk Hammerquist; George Kipp; Lane Larson; Linda McCulloch; Rodney Miller; Mike O'Neill; Tony Preite; Jeff Rupp; Alan Skari; Karen Sullivan; and Jeff Tochihara.

STAFF: Leisa Smith, Dan Berhardt, and Danielle Nettleton.

GUESTS: Mary Berg, Adam de Yong, Brad Eldridge, Suzanne Ferguson, Sheila Hogan, Linda Moodry, Chris Wilhelm, Lindsay Woolsey, and Kathy Yankoff.

I. Welcome and Introduction

Chairman Dan Miles called the meeting to order at 8:35 a.m. He welcomed State Board members and guests. He announced the Executive Committee would be meeting at 12:15 p.m. to take action on the Workforce Investment Act (WIA) Incentives Waiver. He announced board member, Commissioner Keith Kelly, a member of the National Association of State Workforce Agencies (NASWA), was honored with the Eagle Award. The award represents his hard work, dedication, and achievements. Mr. Kelly thanked Chair Miles and the board for their support and hard work.

- Roll call and Housekeeping

Danielle Nettleton conducted roll call and addressed house keeping items. Chair Miles explained SWIB conducts business under Roberts Rules of Order. He stated he would relax Roberts Rules of Order to encourage active and open discussion. He reminded members of the public to state their name clearly for the accuracy of the minutes.

- Agenda

The agenda was accepted as presented by consensus

- Meeting Minutes

Chairman Miles reviewed the minutes from the May 20 & 21, 2008 meeting. Due to lack of a quorum, no action was taken.

II. Facilitated Process Summary

Chair Miles provided a brief review of the strategic planning discussion from the September 25th session. The discussion was facilitated by Lindsay Woolsey, Senior Policy Associate, Corporation for a Skilled Workforce. He commented the day was very productive and satisfying. The board identified 3 goals for the next 12 months. The Executive Committee will meet in the near future to review current committee structure.

III. Reports Discussion

Chair Miles announced the SWIB website has a new Reports and Links webpage. Reports will be posted for review prior to meeting and time will be provided on agendas for any questions or comments. Ms. Smith reported staff is attempting to follow the Governor's 2010 Energy Conservation Initiative and will email the reports with the agenda prior to meetings. Staff will also provide hard copy reports per request.

Tom McKenna expressed concerns with the Pre-Apprentice Line Worker Training program report, noting 5 participants of the 43 enrolled are employed in training related positions. Kathy Yankoff reported the Advisory Committee is reviewing employment related issues. Ms. Yankoff informed the board 9 of the 43 students did not complete the program for various reasons including: excessive absences, parole violation, medical reasons, joined the military, or they quit. A need for thorough screening to identify barriers and address them if possible prior to enrollment has been identified. Dave Crum reported pre-testing was not developed prior to the first group of enrolled students; a test for math skills has been developed. The board made suggestions regarding dual enrollment in college classes to improve needed math skills.

A major factor concerning the first group of enrollees was graduating in December. The energy field normally does not hire in the winter. However, those students enrolled in the WIA program will continue to receive services until more jobs are available. The current economy has also been a contributing factor. Positions are advertised through job fairs, the Job Services and One-Stop Centers, and with industry leaders who serve on the advisory committee. Mary Berg reported the committee will be meeting October 3, 2008 to discuss working with co-ops. Mike McGinley asked if the committee is looking at future projects being proposed in our state, for example: the Mountain States Transmission Intertie (MSTI Line.) Chair Miles was concerned students out of the program for two-years or more may not be available for work or willing to change jobs again. Members were reminded of the funding split for the Lineman pilot program, noting WIA, Office of the Commissioner for Higher Education, and North Western Energy each contributed approximately a 1/3 of the funding. Course work was funded through the legislature. Pat Wise applauded the projects integration.

Currently twelve students are enrolled for the upcoming semester. Mr. Crum encouraged service providers to ask participants if they are willing to relocate. Linda Woods suggested developing a referral program. Ms. Yankoff informed the board she would pass on the suggestions to the Advisory Committee., Chair Miles asked staff to keep the board informed of the programs status. He was concerned for the participants who were told there would be 50 new jobs a year.

IV. Coal to liquids

Chair Miles introduced Carl Venne, Chairman of the Crow Tribe. He announced the board was honored to have him report on the reservation's Coal to Liquids project.

Mr. Venne gave a brief history of the development process for the Coal to Liquids project. The project is slated to create 4,000 temporary jobs during construction and 900 permanent jobs when completed. The reservation's goal is to fill 1,000 positions with tribal members. The other 3,000 positions will be filled from

untapped labor pools on other reservations in Montana; as well as the general public. When the project is complete and running it is projected to sell 25 million tons per year. As the plant progresses, it should produce 125,000 barrels a day. The Governor's Economic Development Office is providing \$25,000 to assist in the development curriculum for industry training. He reported the tribe is also working with the Department of Defense to provide the military with cleaner fuels. After paying off the seven billion dollar loan, the plant will approximately make two to three million dollars a year. The goal is to have the reservation completely self-sufficient in the next eight years. Montana as a state will greatly benefit from the project. Montana will have alternate choices for purchasing energy. When gas and energy prices rise drastically, Montana's will have access to cheaper prices. The reservation also has plans for developing other alternate energy solutions, including geothermal and wind energy.

Ms. Wise commented the idea is very exciting and Mr. Venne has already been engaged in cabinet level conversations and receiving their support. Sandi Miller expressed concerns for the reservation when the project development phase is complete and the potential 3,100 temporary workers leave to find other employment. Chair Miles thanked Mr. Venne for enlightening the board on the subject and encouraged him to ask for assistance with workforce training and development if he needs it. For more information on the project visit www.manystarsctl.com

V. WIA Waiver Request

Suzanne Ferguson reported one requirement for Statewide Money under the WIA is to provide incentive grants for exemplary performance and cooperation between local boards and areas. When Montana became a single planning area, staff believed that requirement no longer applied. However, when monitored by United States Department of Labor (USDOL), they found that without a waiver in place Montana was not in compliance. The past administration had been applying the amount set aside for incentives for semi-annual statewide technical assistance needs for program providers. If the board approves the waiver, it will be posted for a two week public comment period. All comments and concerns will be sent to USDOL for their approval. Mr. McGinley reported he sits on the National Association of Counties. Concerns with money on the local level have been expressed. If money is earmarked for local providers, how do you insure the money stays local if USDOL doesn't support the waiver? Ms. Ferguson reported USDOL does support the waiver and provided Montana with the example from Hawaii. If the money was provided as incentives, each provider would receive approximately \$100. The technical assistance has been supported by providers. Chair Miles reported the Executive Committee would take action on the waiver during their afternoon meeting.

VI. Labor Day Report

The Labor Day Report is an annual report published by the Research and Analysis Bureau (R&A), a part of the Montana Department of Labor and Industry's Workforce Services Division. This annual report presents an overview of economic conditions in Montana and provides insights into the Montana economy. Barb Wagner, Lead Economist, R&A Bureau provided a presentation of the 2008 report. For a copy of the 2008 Labor Day Report please log on to <http://www.ourfactsyourfuture.org/>

VII. Workforce/Education Conversation Update

Ms. Wise provided a brief report on current Workforce and Education topics including:

- The Making Opportunities Affordable Grant: Grants will be made to organizations in select states to develop and implement policy agendas that promote increased productivity within U.S. Higher Education, particularly at public two- and four-year colleges and universities.
- The Board of Regents approved the Montana Green Campus website, a virtual gateway to Montanans University System: <http://mtgreen.mus.edu/>.
- The Governors Office will be reconstructing the Governor's energy website to provided information on job descriptions and apprenticeable jobs in the energy field: <http://www.business.mt.gov/govsenergypage.asp>.
- Regional Innovation Grant working with the timber industry: <http://wsd.dli.mt.gov/rig/>. The grant is modeled after the Workforce Innovation in Regional Economic Development initiative.

Mr. Grove asked about the progress in transferability of credits. Ms. Wise reported the legislature provided The Office of Higher Education with funding to make credits transferable between the universities. Everything should be finalized for students enrolling the fall of 2009.

VIII. Other business:

Discussion occurred regarding meeting schedules. Topics included frequency, length, and pre-scheduling meetings in advance. Chair Miles reported he will work with staff to schedule the next board meeting.

With no further business Mr. Crum made a motion to adjourn the meeting at 12:11 p.m. Mr. Grove seconded the motion which carried unanimously.

Dan Miles, Chairman

Date